

Response to questions–Submission by Roy Ramage

Questions

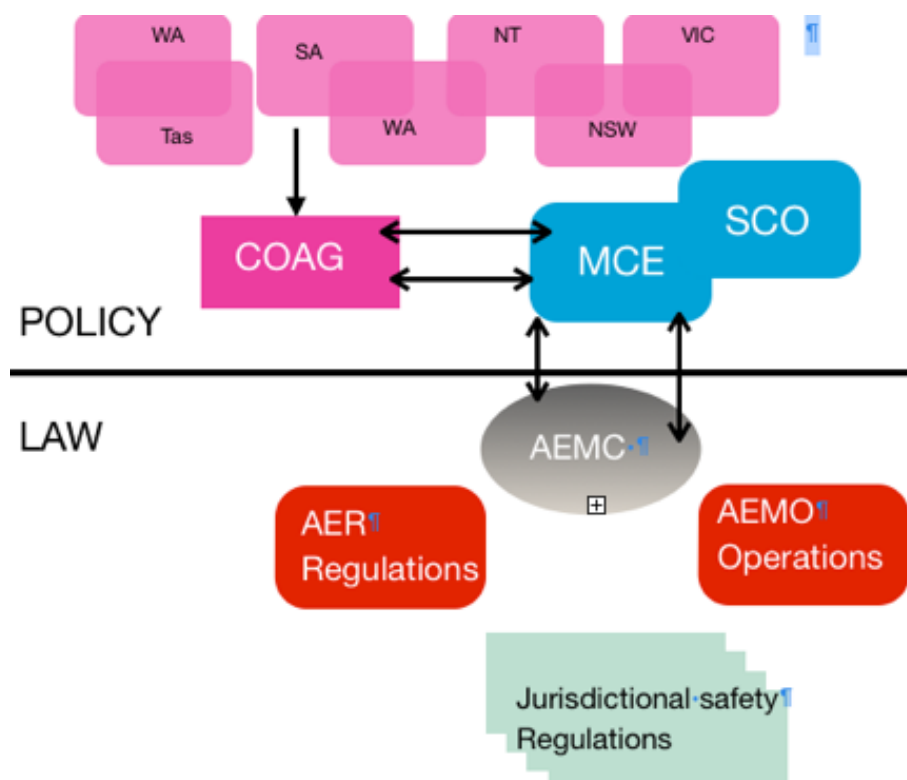
Question 1 - What enhancements could be made to regulatory frameworks to ensure the right incentives for businesses and consumers are in place?

Responses

1. A fair price for all those who generate renewable energy. Currently I get 5.6 cents for each kWh I put back into the grid and Aurora resells each kWh at 30 cents or more. A good margin in anyones language. This implies that during sunlit daylight hours, Tasmanians could have plenty of renewable energy to sell as the returns on investment would be attractive.

Question 2 - Given both the State and Commonwealth Government are committed to reducing red and green tape, and that the electricity market is highly regulated and complex, what opportunities are there to reduce or remove regulation?

2. Clearly this info graphic shows you must start cutting out government/committee layers.



Question 3 - Is retail competition important because of price, choice or for other reasons?

3. Technology will push traditional resale wholesale methodologies aside if and when people can access new power technologies and the ability to be on or off grid. Increasing numbers of people particularly in regional areas are now off grid. These folk are not concerned with retail competition.

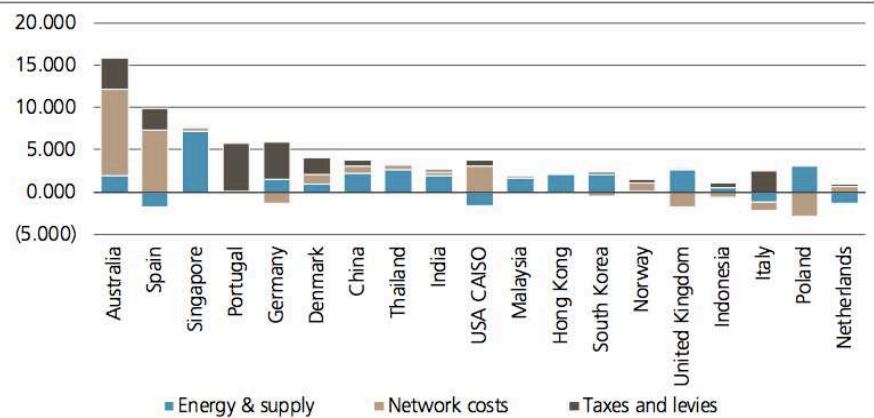
Question 4 - What enhancements or additional information could increase the reporting transparency of the Government's electricity businesses and contribute to improved efficiency?

4. Public display of real time energy costs. That is every energy type. Oils, Gas, hydro, wind and solar. Then beside each - a list of authorities and bodies involved with their price setting. Additionally the amount of CO2 produced by each fuel type listed beside each kWh of energy used.

Question 5 - Do energy intensive and trade exposed businesses require greater future price certainty to maintain and/or grow their operations?

5. Unequivocally, YES. Energy use across Australia is declining for three reasons. Efficiency, insulation LEDS etc., renewable energy and sadly the demise of our manufacturing industry. We have the highest energy costs on the planet and have become increasingly uncompetitive.

Figure 5: US cents per kWh change in power prices 2007-13



Source: Power utility companies, government databases, UBS estimates



The July 2014 Grattan Report, "Fair Pricing for Power," amply demonstrates that Tasmania now has the highest prices for energy -nationally!! This bodes ill for our already poor economy.

Question 6 - Would you consider accepting slightly lower levels of reliability if this resulted in materially lower prices?

6. The widespread deployment of renewable energy and the increasing ability of customers to control and manage it over "smart grids" will afford high levels of reliability. When storage (batteries) are added and enabled, this question will be redundant.

Question 7 - Would a review of tariff structures be desirable, in terms of minimising total network costs and allocating costs fairly?

7. Yes. To be done in consultation/research and development of smart grids with the University of Tasmania. Then trailed in a suburban block or regional town.

Question 8 - What approach, including non-regulatory ones, should Government consider for improving the thermal efficiency of our buildings?

8. Let public tenders stipulating the degree of energy efficiency improvement, building by building or across suburbs. Select a trial suburb, perhaps in a less affluent suburb. Measure its success then roll it out across other suburbs or towns. Results to be posted pre and post installed efficiencies..

Question 9 - What approach to energy efficiency should Government use to help improve productivity for small to medium businesses, and to reduce energy bills for households?

9. Reduce their costs!! Landlords will play a key role here as most small businesses do not own their premises. One approach could be efficiencies first, i.e landlords encouraged to group purchase of insulation/LED etc. the second approach is a nearby installation of solar panels jointly owned by that group of landlords. In effect they may become power sellers at a much lower rate per mWh.

A good local example is 113 Cimitiere St where the building's owner boosted energy efficiencies and installed roof mounted solar panels. This lowered his monthly energy bill by more than two thirds. He then cut rental rates for his tenants. Result longer term tenancies.



Question 10 - What role should Government play in attempting to retain and increase load growth in Tasmania and how should it do it?

10. It must lead the expansion and take-up of efficiencies and renewable energy. Wind and solar in the first instance then other technologies as they become available. Government must then ensure an equitable price per kWh for every energy producer.

Question 11 - What further potential is there to develop renewable energy in Tasmania, including wind energy, given there is no unmet Tasmanian demand requiring additional generation for the foreseeable future?

11. Electric vehicles and the reduction of Tasmania's dependence on oil. Silent and pollution free, Hobart and Launceston's Trolley buses were run entirely on hydro electric power. Rapid acceleration gave them good hill climbing ability, necessary in hilly Tasmania. A 1968 drought which caused power shortages induced authorities to move to carbon based internal combustion engines. Oil was much cheaper in 1968. What will we move to when oil becomes too expensive - or runs out? Electric cars & trucks?

Between 2002 and 2011 oil moved from \$20 per barrel to \$100 per barrel. Nearly all industrialised economies have since stalled, with few lurching beyond the financial meltdown, politely called the Global Financial Crisis or GFC

What will you do when oil hits \$150.00 or \$250.00?



Question 12 - Is there a further facilitation role for Government in gas roll-out, or should Government focus its efforts on examining the costs and benefits of improving minimum protections for gas

12. The rush to export Gas will ensure ever increasing prices. If the Government can protect gas customers then it may be well to do so. However, Gas, once the cinderella fuel will become too expensive as export markets take hold..

Question 13 - What are considered to be the key opportunities, and the key issues, associated with possible energy futures?

13. Tasmania now has no choice but to go down the renewable energy path as the **Tasmanian Oil Price Vulnerability Study** (June 2011) most adequately pointed out. Renewables offer the best option and they are mostly clean.

If nuclear was an option, by the time you contracted one of the handful of companies that could build it, it would be 15 years before it could be turned on. Too late we are already the highest priced energy in the nation.

Question 14 - What could be some outcomes for the Tasmanian Energy Strategy, and what actions can government, or energy providers and consumers take to achieve them? How could success/ performance be measured?

14. Measure progress in the following ways:

- How many Councils facilitate rapid adoption of efficiencies and renewable energy take-up
 - How many people adopt energy efficiency
 - How many people adopt renewable energy
 - How low energy prices fall post take-up
 - How many electric vehicles on Tasmanian roads
 - How many electric busses on our roads
 - How much of our rail transport is electrified
 - How cheap is it to travel Launceston to Hobart
 - Record and display publicly all results
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